Targeted Advertising in Mobile World

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Industry Data

> ## Low value in untargeted advertisement

>> 52% of European consumers think advertisement has low relevance to them (Ovum, 2006)

>> 57% of consumers find TV commercials "annoying" (Havas MPG, 2004)

> ## Targeted advertisement is accepted by consumers

>> More than 60% of searches find local based advertisement relevant to them

>> Mobile advertisement is expected to be much more targeted and personalized than the internet one

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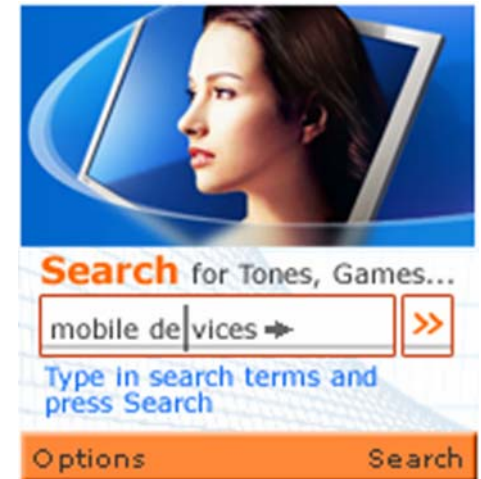
Operators Can Monetize Mobile Advertising via Precision Targeting and High Relevancy

Internet broad targeting

> Context focus
>> Application / URL
>> OS/Browser
>> Category / Keywords
>> Limited geo detection

> Limited info on consumers (cookies)
>> Single PC per a household
>> Multiple PCs per a person

Full targeting potential is missed

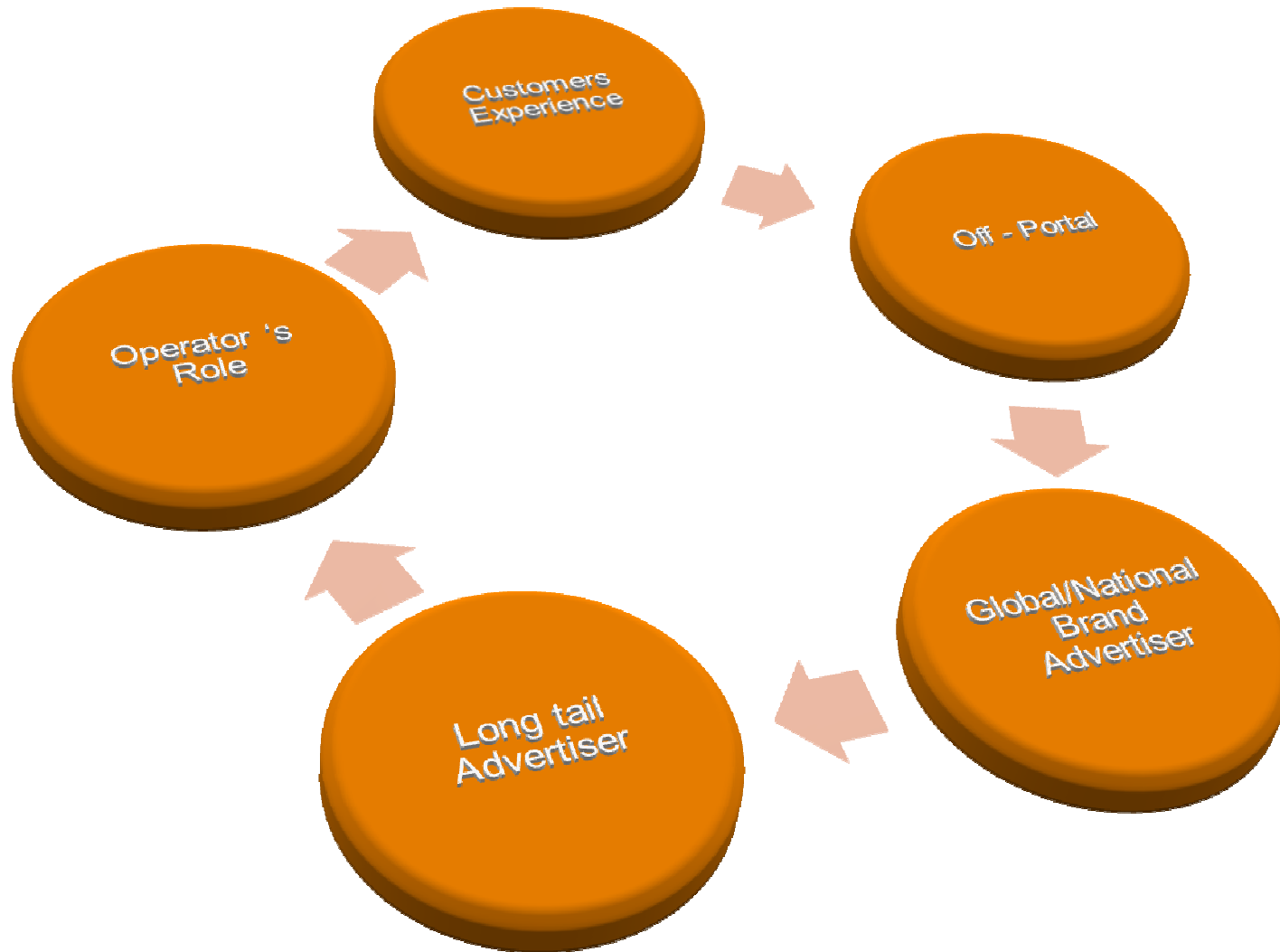Contextual focus with limited knowledge of who the consumer is

Fully exploit the mobile potential – lacking in Internet style targeting

Reach the targeting "wow effect" – *"This is exactly what I need, now and here!"*

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Mobile Advertising – Challenging Domain

Customers Experience

Off - Portal

Operator 's Role

Global/National Brand Advertiser

Long tail Advertiser

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Customer Experience
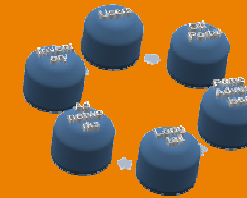
> ## Maximum value

> > ### Relevant Advertising

> > ### TV/ web like experience

> > ### Non – intrusive

> > ### Receive value

> > ### Personalize

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Off Portal – the battle ground

> Off portal accountable for over 50% of Mobile Internet

> The online / Internet key players want to conquer mobile advertising space – leaving the operators behind

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Longtail Advertisers

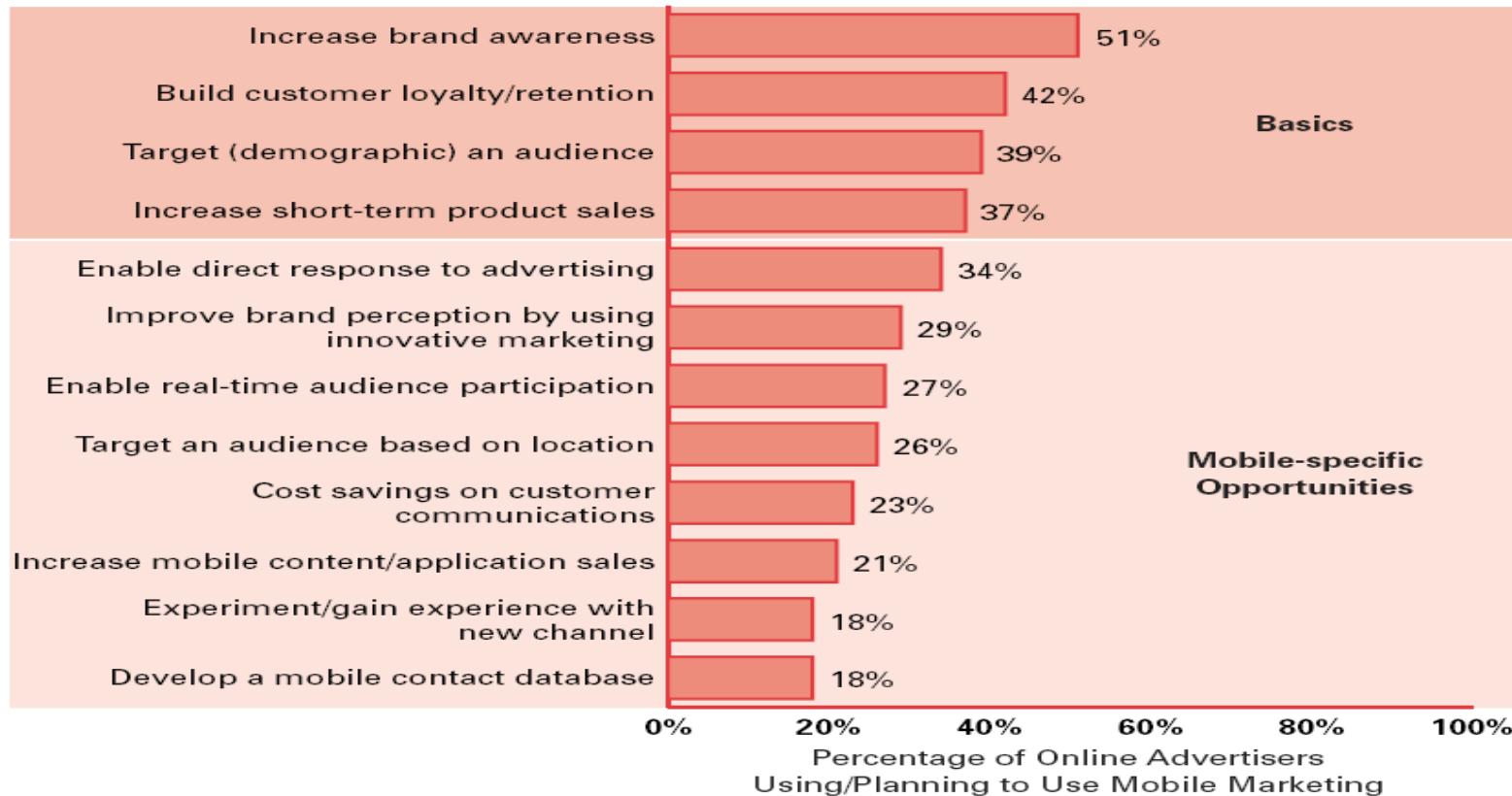> ## Maximize ROI

>> Relevant geographical context

>> Local search – main channel

>> Simple campaign planning tools

>> Budget control

>> Automatic optimization

National/Global Brand Advertisers

Increase brand awareness	51%
Build customer loyalty/retention	42%
Target (demographic) an audience	39%
Increase short-term product sales	37%
Enable direct response to advertising	34%
Improve brand perception by using innovative marketing	29%
Enable real-time audience participation	27%
Target an audience based on location	26%
Cost savings on customer communications	23%
Increase mobile content/application sales	21%
Experiment/gain experience with new channel	18%
Develop a mobile contact database	18%

Basics

Mobile-specific Opportunities

Percentage of Online Advertisers
Using/Planning to Use Mobile Marketing

Operator's role

Capitalize on CSP's key asset

> Customer knowledge - Tremendous value to advertisers - a key advantage over others players

> Compete for owning the customer

> Control and expand the CSP value chain

> Monetize the next generation infrastructure investments

> Advertising to foster the next generation services' consumption

> Take advantage of own converged multi-play media channels

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Case Studies: UK

> Mercedes-Benz

> > Successfully encouraging encourage active response from traditional advertising such as poster, print and TV via mobile text calls to action, driving users to the Mercedes-Benz mobile site

> Domino's Pizza

> > Via online (web) registration

> > Banner ads on O2 Active's portal. A mobile banner links users through to a Domino's WAP site from which they can order

> > Consumers send keywords to a shortcode and their selected pizza is delivered to a chosen address

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Case Study: Pepsi

> US

> > Exclusive advertiser on Sprint Mobile Media Network's homepage during Super bowl 2007 driving consumers to Pepsi's branded mobile web site

> > > Free download of custom wallpaper

> > > Click-to-see video spots

> UK

> > World Cup campaign: unique codes printed on 95 million bottles/cans

> > > Consumers text in the code

> > > A draw every 90 minutes to win an Xbox 360 during the days leading up to the World Cup

> Globally

> > Mobile display ads on m.yahoo.com

> > > "We've had exceptional results reaching our consumers on Yahoo! online," said John Vail, director of interactive marketing, Pepsi-Cola North America. "Now we can reach consumers when they're on the move and communicate with them in a way we haven't before."

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Targeted Advertising
How to deliver promise?

> Understand consumers –

>> Give them what they perceive as value – ad relevancy

> Maximize your revenue by effective targeting

>> Know all you need about them to achieve that – what data to collect, where it resides, how to obtain it

>> Aim at engagement, not just the impression

> The key role of telco operators

>> Wealth of knowledge: monitor & measure everything

>> Key media assets ownership: multiple distribution channels – TV, Internet, Wireless

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Thank You

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